price, issued by the Government. While" all efforts are made to dispose off the non-issuable foodgrains in a phased manner, these stocks can not be entirely got rid of since simultaneous to the disposal of such stocks some sound stocks also get damaged due to various factors during storage. In January, 2001, Government has directed FCI to release feed category foodgrains, free of cost, to the drought-affected States of Chhattisgarh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Orissa, Rajasthan and Uttaranchal with a view to mitigate their hardships.

(d) The total cost of damaged foodgrains at today's cost is Rs. 150.23 crores approximately.

Non-procurement of Paddy in Orissa

1993. MISS FRIDA TOPNO: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government (FCI) has rejected the plea of the State Government of Orissa to procure paddy at reasonable price from farmers of the State;

(b) if so, the reasons therefor; and

(c) what steps Government are taking to construct FCI Godowns for paddy storage in Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) and (b) As a general policy, FCI has been procuring levy rice only in the State of Orissa. Further, the Food Policy of Orissa Government, 2000-01 provide for the purchase of paddy by millers, and their agents appointed by Orissa Government. The millers convert the paddy into rice and deliver 75% of milled paddy as levy rice to FCI.

(c) The Government has taken the following measures to create storage capacity for storage of rice in Orissa:—

(i) There is a proposal to set up godowns of 70,000 MTs capacity under Build Own Operate Scheme (BOO Scheme) in Orissa.

(ii) As a special drive, FCI has hired 80,000 tonnes storage capacity from State Warehousing Corporation, Central Warehousing Corporation and private parties.

(iii) Storage worthy godowns available in Orissa including defunct godowns of Spinning mills and Oil mills have been hired by FCI.

(iv) FCI has evacuated 1,58,000 tonnes of foodgrains from Bargarh, Sambalpur, Kalahandi and Bolangir during the iast six months. Besides, FCI has stopped movement of rice from outside of Orissa from January, 2001.

Streamlining the Defence procurement and intelligence

1994. SHRI NANA DESHMUKH: Will the Minister of DEFENCE be pleased to state:

(a) whether Government propose to streamline defence procurement and intelligence; and

(b) if so, what steps are being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI KRISHNAMRAJU): (a) Yes, Sir.

(b) Government had constituted a Group of Ministers (GoM) on 17th April, 2000 to thoroughly review the national security system in its entirety and in particular, to consider the recommendations of the Kargil Review Committee, and to formulate specific proposals for implementation. The GoM consisted of the Home Minister, the Raksha Mantri, the External Affairs Minister and the Finance Minister. The GoM had after careful consideration of various issues formulated a comprehensive Report titled 'Reforming the National Security System', which was presented to the Prime Minister on February 26, 2001. The GoM has *inter alia* recommended creation of a Defence Procurement Board, which will undertake the entire gamut of procurement functions and also strengthening of the mechanism for gathering of intelligence and subsequent analysis and dissemination. The recommendations of the GoM relating to these two areas have been approved by the Government on May 11, 2001. Implementation of the recommendations of the GoM has already commenced. In order to ensure that the recommendations are